CLEVELAND PUBLIC LIBRARY
BUSINESS INFORMATION BUREAU
CORPORATION FILE

S. H. KRESS & COMPANY

ACCOUNTS

YEAR 1926

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S. H. KRESS

AN

SUBSIDIARY

Consolidated Balance Sh

ASSETS

CURRENT ASSETS:		
Cash in Banks, in transit and on hand	$ 7,526,623.95	
Cash paid to fiscal agent for preferred stock dividend, per contra	51,683.50	
U. S. Government securities, at cost	133,550.00	
Sundry debtors	377,311.38	
Inventories:		
Merchandise on hand, at cost or market whichever is lower	7,595,182.12	
Merchandise in transit, at cost	1,616,348.07	
		$ 17,300,699.02
DEFERRED CHARGES TO FUTURE OPERATIONS		316,900.33
CAPITAL ASSETS:		
Furniture and fixtures, at cost, less depreciation	$ 3,793,399.66	
Buildings and improvements on leased properties, proportion unamortized	4,923,459.58	
Land and buildings, at cost, less depreciation	2,063,540.84	
Goodwill, organization, leaseholds, etc.	$12,000,000.00	
LESS—Amount written off to surplus	11,999,999.00	1.00
		10,780,401.08
		$ 28,398,000.43

We have examined the books and accounts of S. H. Kress & Company and its
the foregoing balance sheet and the relative surplus account are correctly prepar
combined companies at December 31, 1926, and the results of the operations for the

56 PINE STREET,
New York,
January 25, 1927.

& COMPANY

ND

COMPANIES

CLEVELAND PUBLIC LIBRARY
BUSINESS DEPT.
CORPORATION FILE

eet, December 31, 1926

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable—Trade creditors, including unpaid invoices for merchandise in transit..	$ 1,544,764.25	
Accrued expenses and miscellaneous accounts payable	1,365,302.42	
Reserve for 1926 Federal income taxes	675,000.00	
Dividend on preferred stock, payable January 3, 1927	51,683.50	
		$ 3,636,750.17
MORTGAGE PAYABLE FEBRUARY 1, 1935		200,000.00
RESERVE FOR CONTINGENCIES		840,693.39
CAPITAL STOCK:		
Preferred—7% cumulative—		
Authorized 50,000 shares of $100 each	$ 5,000,000.00	
Issued	$ 4,000,000.00	
Less—Retired and cancelled	1,110,000.00	
	$ 2,890,000.00	
Common stock—		
Authorized and issued 120,000 shares of $100 each	12,000,000.00	
		14,890,000.00
SURPLUS, per statement annexed:		
Unappropriated surplus	$ 7,720,556.87	
Appropriated surplus	1,110,000.00	
		8,830,556.87
		$ 28,398,000.43

NOTE—Preferred stock was called for redemption on January 3, 1927, at $125 00 per share.

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subsidiary companies for the year ending December 31, 1926, and we certify that ed therefrom and, in our opinion, fairly set forth the financial condition of the year ending on that date.

PRICE, WATERHOUSE & CO.

S. H. KRESS & COMPANY
AND
SUBSIDIARY COMPANIES

Surplus Account—For the Year ending December 31, 1926

UNAPPROPRIATED SURPLUS:		
As at January 1, 1926	$15,786,662.17	
Add:		
Net profit for the year ending December 31, 1926, after providing for Federal taxes, etc.	4,672,952.20	
		$20,459,614.37
Deduct:		
Dividends on preferred stock—7%	$ 204,458.50	
Dividends on common stock —4%	480,000.00	
Transfer to appropriated surplus of the par value of preferred stock retired	54,600.00	
Goodwill written down	11,999,999.00	12,739,057.50
Balance at December 31, 1926		$ 7,720,556.87
Appropriated surplus:		
As at January 1, 1926, par value of preferred stock retired	$ 1,055,400.00	
Add:		
Transfer from unappropriated surplus	54,600.00	
Balance at December 31, 1926		1,110,000.00
		$ 8,830,556.87

Year	*Sales*	*Sales increase over preceding year*	*Profits*	*Ratio of profits to sales*
1916	$15,059,682.82	21.15%	$1,354,092.94	8.98%
1917	17,633.100.37	17.08	1,465,460.85	8 31
1918	21,160,111 19	20.00	1,158,716.51	5.47
1919	25,244,130.76	19 30	2,075,826 06	8.22
1920	28,973,846.79	14.77	960,855,38	3.31
1921	28,908,981.22	.00	1,258,141.82	4.35
1922	30,646,937.90	6.01	3,088,640.90	10.08
1923	34,005,464.41	10.95	3,472,901.91	10 21
1924	40,259,232.06	18.39	3,143.934.41	7.80
1925	45,963,182.02	14.17	4,158,521.26	9.05
1926	51,869,459.87	12.85	4,672,952.20	9.01

The company operated a total of one hundred sixty nine stores at the end of the year.